

## SENATE BILL No. 450

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 2-5-23-4; IC 12-10.

**Synopsis:** CHOICE program. Allows the health finance commission to study implementation of long term care services. Provides that money that was appropriated but not spent in a fiscal year for the community and home options to institutional care and disabled program (CHOICE) does not revert and may be used in the following fiscal year for certain programs. Provides that provider rates for home and community based services must be set to ensure that providers do not lose money and shall be set in the same manner that rates are set for CHOICE. Requires the division of disability, aging, and rehabilitative services and the area agencies on aging to develop teams of volunteers to assist in the placement of persons in home and community based service programs.

**Effective:** July 1, 2004.

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January 12, 2004, read first time and referred to Committee on Health and Provider Services.

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Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## SENATE BILL No. 450

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 2-5-23-4 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2004]: Sec. 4. The commission may study any  
3 topic:

4           (1) directed by the chairman of the commission;

5           (2) assigned by the legislative council; or

6           (3) concerning issues that include:

7               (A) the delivery, payment, and organization of health care  
8               services; ~~and~~

9               (B) rules adopted under IC 4-22-2 that pertain to health care  
10              delivery, payment, and services that are under the authority of  
11              any board or agency of state government; **and**

12             **(C) the implementation of IC 12-10-11.5.**

13       SECTION 2. IC 12-10-10-8.5 IS ADDED TO THE INDIANA  
14 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
15 [EFFECTIVE JULY 1, 2004]: **Sec. 8.5. Provider rates set for the**  
16 **program:**

17           **(1) may not be reduced to match provider rates for Medicaid**



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waiver home and community based services under this chapter; and

(2) shall continue to be set through the bidding procedures used by the area agencies on aging as of November 1, 2003.

SECTION 3. IC 12-10-10-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 12. (a) If, on May 1 of any year, there are at least five hundred (500) individuals on the waiting list for services funded through the program, any money that:

(1) was appropriated to the division for the administration of the program;

(2) was not spent in the fiscal year for which it was appropriated; and

(3) is retained by the division;

does not revert to the state general fund at the end of the state fiscal year and may be used in subsequent fiscal years for individuals receiving services under this chapter.

(b) If, on May 1 of any year, there are fewer than five hundred (500) individuals on the waiting list for services funded through the program, any money that:

(1) was appropriated to the division for the administration of the program;

(2) was not spent in the fiscal year for which it was appropriated; and

(3) is retained by the division;

does not revert to the state general fund at the end of the state fiscal year and may be used in subsequent fiscal years for state matching funds for assisted living services or adult foster care services under a Medicaid waiver.

(c) Any money not reverted under subsection (a) or (b) is annually appropriated to the division for its use in administering the programs as specified in subsection (a) or (b).

SECTION 4. IC 12-10-11-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 9. (a) The:

(1) area agencies on aging designated under IC 12-10-1-4;

(2) division of disability, aging, and rehabilitative services; and

(3) office of Medicaid policy and planning established by IC 12-8-6-1;

shall assist the board in reviewing rate setting procedures for home and community based services.

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(b) The review required by subsection (a) must include hearings by the board at which public comment may be offered. Findings resulting from reviews conducted under subsection (a) shall be submitted to the governor, the secretary, the budget agency, and the health finance commission.

SECTION 5. IC 12-10-11.5-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 8. (a) Provider rates for home and community based services to which the state provides access under a Medicaid waiver under section 5 of this chapter must be set higher than the cost of providing the services.**

(b) The procedure for setting provider rates for home and community based services under section 5 of this chapter may be modeled after the procedures used to establish provider rates for services through the community and home options to institutional care for the elderly and disabled program established under IC 12-10-10.

SECTION 6. IC 12-10-11.5-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 10. (a) The area agencies on aging designated under IC 12-10-1-4 shall work with the division of disability, aging, and rehabilitative services to establish teams, including volunteers trained by the area agencies on aging, to identify persons in health care facilities licensed under IC 16-28-2 who:**

(1) wish to receive; and

(2) are suitable prospective recipients of;

home and community based services under a Medicaid waiver or the community and home options to institutional care for the elderly and disabled program.

(b) Subject to standards established by the division of disability, aging, and rehabilitative services, volunteer teams established under subsection (a) may assist in the identification of persons in health care facilities who are suitable for home and community based services under a Medicaid waiver or the community and home options to institutional care for the elderly and disabled program.

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